

SUMMARY OF THE NEW 2021 COMPACT

COVERED GAMES	
2010 Compact	*NEW* 2021 Compact
Slot Machines Banked Card Games (baccarat, blackjack, etc.) Raffles and Drawings	Slot Machines Banked Card Games (baccarat, blackjack, etc.) Raffles and Drawings Craps Roulette Sports Betting Fantasy Sports Contests

REVENUE SHARE TO THE STATE (% OF NET WIN)	
2010 Compact	*NEW* 2021 Compact
<u>ALL COVERED GAMES</u> \$0-\$2 billion = 12% \$2-\$3 billion = 15% \$3-\$3.5 billion = 17.5% \$3.5-\$4 billion = 20% \$4-\$4.5 billion = 22.5% \$4.5 billion and more = 25%	<u>TABLE GAMES</u> \$0-\$1 billion = 15% \$1-\$1.5 billion = 17.5% \$1.5-\$2 billion = 22.5% \$2 billion and more = 25%
	<u>SLOTS, RAFFLES, & DRAWINGS</u> \$0-\$2 billion = 12% \$2-\$2.5 billion = 17.5% \$2.5-\$3 billion = 20% \$3-\$3.5 billion = 22.5% \$3.5 billion and more = 25%
	<u>SPORTS BETTING</u> Direct Net Win from Tribe Marketing = 13.75% Indirect Net Win through Parimutuels = 10%

GUARANTEED MINIMUM REVENUE SHARE PAYMENTS	
2010 Compact	*NEW* 2021 Compact
5-year Guarantee = \$1 billion	5-year Guarantee = \$2.5 billion

TERM LENGTH	
2010 Compact	*NEW* 2021 Compact
20 Years (2010-2030)	30 Years (2021-2051)

New Tribe Facilities

The Tribe may add three (3) additional facilities on its Hollywood Reservation east of the Turnpike. As with the 2010 Compact, the Tribe may relocate, expand, or replace all of its existing facilities. However, the Tribe agreed to not build Las Vegas-style casino resorts on its Brighton Reservation (Okeechobee, FL) or Big Cypress Reservation (Clewiston, FL).

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Exclusivity

- The Tribe must retain legal exclusivity over Class III Gaming and Other Casino-Style Gaming **within 100 miles of any Tribe Facility**. If casino gaming expands within 100 miles of a Tribe Facility, the State loses Revenue Share Payments from that Facility. There is no impact on the Tribe's exclusivity if gaming expands in particular geographic regions beyond the 100-mile radius (i.e., Jacksonville, Panhandle).
- **Exception: Sports Betting.**
 - If the Tribe loses exclusivity over sports betting due to a citizens' referendum, the Tribe will continue Revenue Share Payments for non-sports-betting games.
 - But if the Legislature proposes a constitutional amendment which is subsequently enacted, the State loses all Revenue Share Payments from the Tribe.
 - If another Indian tribe gets sports betting, the Seminole Tribe's Revenue Share Payments on sports betting reduce by 25%.
- **Exception: Slots.** The Tribe's exclusivity is not breached by the operation of slot machines at the current eight (8) parimutuel facilities in Broward and Miami-Dade Counties. The licenses at these facilities can relocate with or without the Tribe's consent, depending on whether the new location is within 15 miles of a Tribe Facility.
- **Exception: Lottery.** Technological enhancements for lottery games does not breach the Tribe's exclusivity, as long as the lottery games are not slot-like or casino-style games.
- **No exclusivity for Fantasy Sports Contests.**

Sports Betting

- The Tribe will maintain the exclusive sports book(s) on tribal lands that will have statewide online reach.
- Each pari-mutuel facility will have the opportunity to partner with the Tribe to operate independent apps or "skins" with statewide reach and receive a marketing fee of no less than 60% of the Net Win for directing Patrons to the Tribe's book.
- **Legal Challenge.** If a court invalidates the Tribe's online sports betting, the Tribe will continue Revenue Share Payments for remaining games.

Designated Player Games

- The Tribe will accept DP games as they currently exist, but state law must be amended to restrict them:
 - Limiting parimutuels to 10 DP tables in counties w/ slots, 30 tables in other counties.
 - Permitting only specific DP games identified in cardroom applications prior to 2021.
 - Forbidding financial arrangements between the designated player and the cardroom.
- If DP games cease being played, then the Tribe will pay 1% more for all revenue rates.

Gaming Commission

- The State retains flexibility over its regulatory structure.

SUMMARY OF THE NEW 2021 COMPACT

KEY POINTS:

1. This agreement does NOT include online gaming outside of sports betting or any obligation to offer online gaming in the future.
2. The agreement is constitutional because the servers that process the sports bets are located on tribal land (hub and spoke concept). Case precedent supports this argument.
3. If a court were to strike down the sports betting component of the deal, it would be severed from the compact and the remainder of the deal would remain intact (revenue shares from other games on tribal lands). This contingency plan is key to the deal.
4. The sports betting revenue shares in the compact cannot be compared to states with robust commercial sports betting environments. Because of Amendment 3, commercial sports betting outside of a tribal compact is unconstitutional in Florida. Therefore, some states may be able to tax commercial entities at a rate greater than 13.75%. Under IGRA, a state cannot tax a Tribe but can only receive a revenue share commensurate with the provision of exclusivity to the Tribe, and the Department of Interior will not approve revenue share at the level some commercial entities are being taxed in other states.
5. Despite Amendment 3 and Florida's constraints to a compact, Florida's revenue share from sports betting would continue to be more than most of the country.
 - a. FL's revenue share from Tribe-derived sports betting net win is equal to Connecticut's 13.75% rate.
 - b. The Tribe's effective revenue sharing rate for business coming through pari-mutuels is effectively 70% (10% Revenue Sharing to the State + 60% to the Pari-Mutuels)
6. Although the Tribe has the exclusive sports book, there may be up to 26 different pari-mutuel partners with different skins, providing significantly more competition than in New York.
7. This Compact protects the State's revenue from a constitutional referendum that may allow for new gaming in certain parts of the state.
8. This Compact protects the State's ability to engage in subsequent compacts with other Florida-recognized tribes.
9. This Compact limits the Tribe's new table games to its existing footprint. Similarly, the Tribe's ability to build 3 new facilities is limited to its Hollywood reservation.
10. Designated Player games may continue to operate as they existed in April 2021.